

N E W S R E L E A S E

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California's Unemployment Rate Declines to 5.8 Percent **Payroll Employment Up 3,100 Jobs**

SACRAMENTO – California's unemployment rate was 5.8 percent in August, down from a revised 6.2 percent in July, the state Employment Development Department (EDD) reported today. This is the lowest unemployment rate since September 2001. A year ago, in August 2003, California's unemployment rate was 6.8 percent.

According to EDD's survey of employers, nonfarm payroll employment in California grew by 3,100 jobs over the month, for a total of 14,523,700.

According to the separate survey of households, the number of Californians holding jobs in August was 16,610,000, a record high for employment. This was an increase of 23,000 from July, and up 321,000 from the employment total in August of last year.

The number of people unemployed in California was 1,022,000 – a decline of 76,000 over the month, and down by 160,000 compared with August of last year. This was the lowest number of unemployed since September 2001.

Of the unemployed, 345,100 were laid off, 86,300 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 386,577 people receiving regular unemployment insurance benefits during the August survey week. This compares with 401,118 last month and 510,012 last year. At the same time, new claims for unemployment insurance were 40,237 in August 2004, compared with 43,214 in July and 49,413 in August of last year.

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WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,523,700 in August, a net gain of 3,100 jobs since the July survey. This followed a loss of 9,300 jobs (as revised) in July.

Six of the categories (**construction; information; financial activities; professional and business services; leisure and hospitality; and other services**) added jobs over the month, gaining 16,000 jobs. The information industry showed the largest gain, up by 5,400 jobs. Five categories (**natural resources and mining; manufacturing; trade, transportation and utilities; educational and health services; and government**) reported job declines this month, down 12,900 jobs. Government posted the largest decline over the month, down by 4,300 jobs.

The number of jobs in **agriculture** was 380,900 in August, an increase of 3,100 jobs from July, and up 14,600 jobs from August 2003.

In a year-over-year comparison (August 2003 to August 2004), nonfarm payroll employment in California increased by 112,300 jobs (up 0.8 percent).

Eight industry divisions (**natural resources and mining; construction; manufacturing; trade, transportation and utilities; financial activities; professional and business services; educational and health services; and leisure and hospitality**) posted job gains over the year, adding 159,800 jobs. On a numerical basis, professional and business services showed the strongest employment growth, adding 62,200 jobs (a 3.0 percent increase), followed by construction, which added 28,400 jobs (a 3.6 percent increase).

Three categories (**information; other services; and government**) posted job declines over the year, down 47,500 jobs. On a numerical basis, jobs in government showed the largest decline, down 34,700 (a decline of 1.4 percent).

WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, employment in **construction** showed the largest non-seasonally adjusted gain, up by 13,400 jobs, followed by **manufacturing**, which added 8,700 jobs. **Government** posted the greatest non-seasonally adjusted loss, down by 26,100 jobs over the month. Most of the losses were recorded in local government education, which was down by 20,900 jobs.

The **professional and business services** industries reported the largest gain over the year, up 58,400 jobs. The largest gains were in the administrative and support services sector, mainly in employment services, which was up by 37,900 jobs. The largest decrease over the year was in **government**, which was down by 40,100 jobs, with state and local government recording most of the losses, down by a combined 37,800 jobs.

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA
(Amounts in thousands)

Industrial Classification	August 2004 (prelim.)	July 2004	August 2003	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,523.7	14,520.6	14,411.4	0.8
Natural resources and mining	22.3	22.6	21.8	2.3
Construction	817.9	814.2	789.5	3.6
Manufacturing	1,531.0	1,534.4	1,528.0	0.2
Trade, transportation and utilities	2,745.9	2,747.1	2,725.5	0.7
Information	459.7	454.3	471.0	-2.4
Financial activities	902.9	900.2	896.4	0.7
Professional and business services	2,170.1	2,167.2	2,107.9	3.0
Educational and health services	1,560.3	1,564.0	1,539.7	1.3
Leisure and hospitality	1,418.7	1,417.9	1,400.5	1.3
Other services	504.0	503.5	505.5	-0.3
Government*	2,390.9	2,395.2	2,425.6	-1.4
Agriculture	380.9	377.8	366.3	4.0

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	August 2004	July 2004	June 2004	August 2003
Civilian labor force ^a	17,632,000	17,685,000	17,659,000	17,471,000
Total civilian employment	16,610,000	16,587,000	16,541,000	16,289,000
Unemployment	1,022,000	1,098,000	1,118,000	1,182,000
Seasonally adjusted rate %	5.8	6.2	6.3	6.8
US seasonally adjusted rate %	5.4	5.5	5.6	6.1

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	August 2004	July 2004	June 2004	August 2003
Civilian labor force ^a	17,742,000	17,850,000	17,683,000	17,584,000
Total civilian employment	16,731,000	16,679,000	16,555,000	16,413,000
Unemployment	1,011,000	1,171,000	1,128,000	1,171,000
Unadjusted rate %	5.7	6.6	6.4	6.7

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
AUGUST 2004 (Preliminary); 2003 BENCHMARK
NOT SEASONALLY ADJUSTED

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	17,742,300	16,731,000	1,011,300	5.7%
ALAMEDA	755,200	713,400	41,800	5.5%
ALPINE	360	320	40	12.1%
AMADOR	15,970	15,350	610	3.8%
BUTTE	92,100	85,900	6,300	6.8%
CALAVERAS	17,530	16,490	1,040	6.0%
COLUSA	8,650	7,680	980	11.3%
CONTRA COSTA	523,200	498,900	24,300	4.6%
DEL NORTE	10,030	9,260	770	7.6%
EL DORADO	83,900	80,300	3,600	4.3%
FRESNO	410,000	367,900	42,100	10.3%
GLENN	9,800	8,810	990	10.1%
HUMBOLDT	60,200	56,900	3,300	5.4%
IMPERIAL	59,100	43,900	15,300	25.8%
INYO	7,450	7,070	380	5.2%
KERN	311,900	280,100	31,800	10.2%
KINGS	51,520	46,120	5,400	10.5%
LAKE	26,360	24,340	2,020	7.7%
LASSEN	11,500	11,000	500	4.3%
LOS ANGELES	4,808,300	4,508,000	300,300	6.2%
MADERA	58,800	53,600	5,100	8.8%
MARIN	131,500	127,300	4,100	3.2%
MARIPOSA	8,400	8,010	390	4.7%
MENDOCINO	44,890	42,490	2,400	5.3%
MERCED	94,500	84,300	10,200	10.8%
MODOC	4,600	4,340	260	5.6%
MONO	7,590	7,170	420	5.5%
MONTEREY	201,300	188,600	12,700	6.3%
NAPA	72,400	69,600	2,800	3.9%
NEVADA	49,080	47,210	1,880	3.8%
ORANGE	1,609,200	1,557,100	52,100	3.2%
PLACER	144,700	138,600	6,100	4.2%
PLUMAS	11,150	10,390	770	6.9%
RIVERSIDE	848,500	795,500	53,000	6.2%
SACRAMENTO	665,200	630,500	34,700	5.2%
SAN BENITO	30,550	28,400	2,160	7.1%
SAN BERNARDINO	897,400	849,800	47,600	5.3%
SAN DIEGO	1,535,700	1,478,200	57,400	3.7%
SAN FRANCISCO	406,300	383,400	22,900	5.6%
SAN JOAQUIN	286,900	262,400	24,500	8.5%
SAN LUIS OBISPO	121,900	118,000	3,900	3.2%
SAN MATEO	372,600	359,100	13,500	3.6%
SANTA BARBARA	218,900	211,900	7,000	3.2%
SANTA CLARA	874,600	826,200	48,400	5.5%
SANTA CRUZ	142,500	134,700	7,800	5.5%
SHASTA	84,000	78,400	5,700	6.8%
SIERRA	1,550	1,430	120	7.6%
SISKIYOU	17,940	16,480	1,460	8.1%
SOLANO	218,000	206,400	11,600	5.3%
SONOMA	260,000	249,200	10,900	4.2%
STANISLAUS	227,200	207,500	19,700	8.7%
SUTTER	37,800	34,100	3,700	9.7%
TEHAMA	27,290	25,620	1,670	6.1%
TRINITY	5,180	4,710	470	9.1%
TULARE	177,900	155,500	22,400	12.6%
TUOLUMNE	23,190	21,890	1,300	5.6%
VENTURA	436,300	414,100	22,200	5.1%
YOLO	101,100	97,200	4,000	3.9%
YUBA	22,400	19,800	2,600	11.5%